

The

CREDIT UNION BRIDGE

THE WAY TO ECONOMIC BETTERMENT



H. B. Yates, retiring president, presents gavel to Melvin H. Wideman, newly elected president of the Credit Union National Association.

UNIVERSITY MICROFILMS
313 N. FIRST ST.
ANN ARBOR, MICHIGAN
EXCHANGE

Official Publication

July, 1955

Credit Union National Association



Seven Sins of Citizenship



So you think you're a good Citizen! Here are seven deadly sins of citizenship—do you commit any of them?

THE FIRST SIN IS INDIFFERENCE. A citizen says, "I don't care. I'm not interested in politics." In some countries men find themselves in concentration camps for taking this attitude.

THE SECOND SIN IS LAZINESS. Many a political cleanup campaign has failed because the citizens weren't as energetic as the politicians.

THE THIRD SIN IS COWARDICE. Some people won't vote in a primary election because "they don't want their neighbors to know their political party."

THE FOURTH SIN IS GREED. Short-sighted selfishness sometimes leads men to seek little gains through politics . . . and when they do they're obligating themselves to the politicians forever after.

THE FIFTH SIN IS MISDIRECTED LOYALTY. Many citizens support crooked politicians simply because they have the right party label, or because the citizens won't take time to investigate the people for whom they are voting.

THE SIXTH SIN IS FALSE PRIDE. People in this category are "holier-than-thous." Politics can be dirty business and these citizens say they don't ever get mixed up with anything dirty. It's up to them to clean up the dirt with their votes.

THE SEVENTH SIN IS CYNICISM. A citizen says, "Oh, you can't do anything about it. Machine politics, you know." The history of nations proves this is wrong. Something can be done about politics every time an election is held.

How do you measure up? If you have committed none of these seven sins, you are a good citizen.

(Adapted from an article by Charles Edison for "American Weekly."
(Pictures Color Guard, National Convention 1955))

Our Responsibility

The history of the past few years ought to have taught us all that when people in a democracy neglect their individual responsibilities or fail to act on them, the path to dictatorship is opened.

—Dr. LeRoy F. Cowles.

**Plan Now
For
Credit Union Day**

See Article Page 18

Coming Events

August 11—10 A.M.: Joint Meeting: CUNA Executive Committee, CUNA Mutual Board, CUNA Supply Board, Edgewater Hotel, Madison, Wisconsin.

August 12—10 A.M.: CUNA Mutual Board. August 12—2:00 P.M.: CUNA Supply Board.

August 13—10:00 A.M. CUNA Executive Committee.

September 16-17—Indiana Credit Union League annual meeting, Claypool Hotel, Indianapolis, Indiana.

September 16-17—Wisconsin Credit Union League annual meeting, Eau Claire Hotel, Eau Claire, Wisconsin.

September 24—Maine Credit Union League annual meeting, Calumet Club, Augusta, Maine.

November 4-5-6—California Credit Union League annual meeting, Ambassador Hotel, Los Angeles, California.

The Credit Union Bridge

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The Credit Union Bridge



Opening Ceremonies of CUNA Annual Meeting.

National Board Meeting Plans for the Future

It Is More Blessed To Give Than To Receive

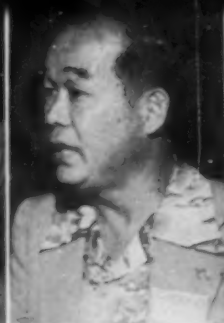
One of the mysteries of the human mind is, why is it so hard to remember that it is more blessed to give than to receive? We are all familiar with this great truth. Men have known it since the dawn of history. It is a commonplace of all religious teaching. From personal experience, we know that the man who gives his life for a cause, even a small cause, makes us prickle with admiration, weep with gratitude and humility, glow with joy that men should act in the image and likeness of God. For Christ Himself, Christians believe, gave His life for man. We all know that constant thinking of self is in some sense a sin, in some sense a disease. We know that he who would save his life must lose it. We know these things—why are they so hard to remember? Whatever the answer may be, we who are here today are among the luckiest of men. Many less fortunate are trapped in circumstances which force them to live lives filled with self-pity and bitterness. We, if we remember, can put this great truth into daily practice without tearing the pattern of our lives asunder. Moments like this have been all too rare in history. Men have not often had such an opportunity as we have today to put aside thoughts of self and give ourselves wholeheartedly to the services of our fellowmen. Let us pray for the grace to use these precious hours well.



Melvin H. Widerman, President
Credit Union National Association

ONE HUNDRED SEVENTY-THREE National Directors representing the North American and Hawaiian area of the Globe listened to opening ceremonies, reports of the president, managing-director and committees; and set the course for the coming year on their actions on recommendations, resolutions and elections.

Opening Ceremony: — When President Yates pounded the gavel and called the meeting to order, the St. Louis Post Office Champions hit the first note together as they marched in from the rear of the room, led by F. L. Andrews of Florida carrying the Canadian Flag and M. Eriksen of Saskatchewan carrying the flag of the United States. It was loud, forceful and patriotic. You had time to reflect on the privileges of democracy



Delegates from the Convention Floor In Action

as they marched to the front, and the "Star Spangled Banner" was sung by Marshall Straus and "Oh Canada" was sung by Gordon Woodbridge. The cycle was changed from the loud and bright to the soft and sublime. Harry Daley read the prose recounting the lessons of history as to why "It is more blessed to give than to receive", the theme of this year's meeting, and "The Lord's Prayer" was sung by Marshall Straus. The ceremonies reminded us of the great obligations that man owes God, the benefits of government, and the privilege to help and associate with our fellowman.

Reports

The quality and scope of the reports received the acclaim of the delegates from applause to passing special resolutions. Selected parts of the president's report and managing-director's report begin on page 9 and page 11 respectively. The Planning Committee report in part will be found on page 16. In addition the Budget and Dues Committee, Resolutions Committee, Policy Committee and others—all showed a growing capacity to work in committees to gather facts, hear different opinions, and to choose a wise course of action—which facilitated the ability of 173 National Board members to set the program for 1955-56 and the course of action for the coming year.

Decisions

One of the big steps taken by the National Board was their support of the Planning Committee proposals for the World Extension Department, Public Relations Department, and the Organization and Education Department (see page 16). The National dues for 1956-57 were increased 1c per member across the board to finance the program. The national dues must be set one year in advance.

A number of changes were sought which would affect federal credit unions. It was voted to seek an extension in the maximum time limit

on loans from 36 months to 60 months; to give the board of directors the authority to set the treasurer's salary; and the power to declare dividends. Also to support legislation that would permit payroll deductions. The resolution seeking to expand the investment privileges of federal credit unions was referred to the Executive Committee for study.

In an effort to improve the function of the National Association, the Board authorized an expenditure not to exceed \$10,000 for hiring management consultants. They voted that journalistic consultation be obtained for the improvement of The Credit Union Bridge. Also that Bridge carry controversial opinions on credit union subjects.

The Executive Committee were authorized to purchase the CUNA Mutual portion of Filene House, and to sell a parcel of land to CUNA Mutual on which a home office building could be erected.

Defeated were proposals to pay 10c per mile to National Directors who use their car to attend the annual meeting; proposals for stand-by legislation on deposit insurance; and proposals to permit credit unions to pay officers other than the treasurer.

The recommendation of the Policy Committee was approved that changed Policy No. 21 to read: "That the matter of availability of the services of the CUNA Supply Cooperative to non-affiliated credit unions, either by leagues depots or direct by CUNA Supply be left to the discretion of the individual leagues."

True Words

A period of high civilization is one in which thoughts fly freely from mind to mind, from one country to another—yes, from the past into the present.—*Gilbert Highet.*

Economy is the art of making the most of life. The love of economy is the root of all virtue.—*Bernard Shaw.*



THE CREDIT UNION BRIDGE NEWSLETTER

U. S. Trends in Brief: Jobless down to 2,489,000, a drop of nearly a half million in a month. Manufacturers sales up 10% in April over same month last year. Loans to business by New York City banks increased \$431 million in the week ending June 15 ...largest weekly gain in history; in Chicago loans rose \$83 million, biggest gain in 1955. Freight loadings for 1st 22 weeks of 1955 were 8½% above the same period a year ago; railroads are handling the largest tonnages since late 1953. Farmers' cash receipts in May fell 2% from 1954 due largely to the dip in hog prices. Industrial production ran at 137% of the 1947-49 average, the Federal Reserve Board reported. April truck loadings up 13% from same month in 1954 reported by American Trucking Association. Steel production in mid-June was 96.5% New car sales down 1.1% in May, but sales for first 5 months of 1955 are up 4% over the same period last year. Retail sales 8% above last year comparing the first 5 month periods.

Canadian Trends in Brief: Department store sales up 7% from last year for first 24 weeks of this year. Fish and fishery products exported down 9% in value from last year. Housing units up 21% from last year as of May 1...units started up 7% for the same period; completions were up in all provinces except Newfoundland, Prince Edward Island, Manitoba and Saskatchewan. Wholesale trade running 2% ahead of last year in latest monthly total; inventories down 3%. Lumber output in the first quarter is estimated at 29% ahead of a year earlier. Butter production to June 1 down 1% from last year; though domestic consumption is up 4%. Electric power up 15% for first quarter of 1955 over same period of 1954. Price index up .3 during April to 116.4.

CUNA Mutual reports coverage at the end of May, 1955—\$2,005,258,743. This is an increase of \$52,792,238 over last month. New posters on Loan Protection and Life Savings are now available. Two new booklets explaining Loan Protection and Life Savings insurance (Forms LP 11 and LS 7) are now available for Directors and Committee members.

The Alfred Politz Research, Inc. reports that within 5½ weeks after the April, 1955, issue of READER'S DIGEST appeared, approximately 30% of all the people in America 10 years of age or older had read it—this means that some 36,000,000 people already had read that one issue. This is the largest audience we know of, ever reported for a single issue of any magazine. (CUNA advertisements appear in this magazine.)

Push For New Alabama Small Loan Law—The Alabama Bar Association is plugging for a "workable" small loan law in this state, claiming usury is responsible for the state's high bankruptcy rate. Alabama had 8,045 bankruptcy cases during the last fiscal year, as compared with 211 in Florida which has what is described as a "workable small loan law". Small loans accounted for most of the indebtedness of Alabama persons who went bankrupt.

Florida Again has Life Savings Insurance: On June 1, 1955 the Florida Legislature adopted an amendment to its group insurance laws which permits all eligible Florida credit unions to provide Life Savings Insurance to members. The amendment became effective June 23, 1955.

Chapters are already planning for Credit Union Day, October 20, 1955. The emphasis this year is on community activity. The Hamilton & District Credit Union Chapter, Hamilton, Ontario plan a city wide, interdenominational service to be held at the United Church, Sunday, October 16, to open credit union week. Local credit union members will give their thanks for the credit union privilege, with local clergymen and credit union members participating.

Portland Credit Union (North Dakota) gives \$25 for first credit union Kish Mohan, CUNA World Extension Department's first full time field man, organizes in India to be loaned and reloaned to help people get ahead.

Microfilms of The Credit Union Bridge by yearly volumes will shortly be available for University Micro-film library film service. Micro-films makes available historical and operating reference material presently back to 1935 and shortly back to the first copy issued in June 1924. Presently over 1500 libraries have viewers.

King's X Film Use Expanded:—District of Columbia League provides prints of King's X for A. F. of L. film library in Washington, D. C.; use another for fall film schedules, and another for its own use. The South Dakota league film was flown to Guam for a series of showings. Another print has been loaned by CUNA for showings in Australia. The Pueblo (Colorado) Credit Union Chapter, Arizona League, North Dakota Farmers Union, and Pacific Supply Cooperative purchased films at the new \$70 price set by the National Board. Michigan league provides print of film to University of Michigan Audio-Visual Service.

Nigeria (Africa) to get credit union assistance. Thomas Monson, public relations assistant of Group Health Inc. of St. Paul will soon go to Nigeria on a co-op assistance program as a consultant for 2 years. He is spending a week in Madison to get additional credit union information before leaving.

CUNA's World Extension Department has been busy during the past month. Mohammed Sidik of Djakarta, treasurer of the Indonesian Fishery Cooperatives, in charge of developing banking facilities, was at Filene House for two weeks training. Joane Naisara, senior assistant of the Fijian Credit Union Central Committee who has been on a study project for the past several months returned to Suva, Fiji Islands to resume his duties as credit union supervisor and organizer. Kishori Mohan left for India as the first CUNA overseas employee, for full-time credit union work. Miss Cicily Hugh, Office Manager, of the Jamaica Credit Union League spent two weeks at Filene House as a part of her three month study tour of the credit union movement in the United States.

CUNA Mutual passed the \$2 billion mark of coverage in force during April. Growth in April was \$52 million, the greatest for any one month which topped \$48 million in March, 1953. CUNA Mutual began business August 1935 and passed the first billion in October 1952.

With CUNA help, the first Irish credit union is now organized and ready to start business, once it gets official approval.

Big Potential For Canadian Credit Unions—Credit union development in Canada has a big future, if present predictions of national growth are accurate. James E. Coyne Governor of the Bank of Canada estimates population of Canada by 1975 will be 23.1 millions (now 15.4); labor force will grow to 8.1 millions (now is 5.4) and gross national product will rise from present \$25, to \$55 billion in 20 years.

North Dakota Credit Union League delegates voted to pay 10¢ per member CUNA dues at their June 4 annual meeting. The National dues schedule requires only 8¢ per member.

CUNA SUPPLY reports sales of more than 10,000 copies of the new handbook for supervisory and examining committees "Credit Union Audits."

"The little man pays his debts", says Arthur Dietz, President of CIT, in a Business Week article. Just after the 1929 crash, Dietz points out, CIT customers paid off 85% of their outstanding debts within nine months.



Gurden P. Farr

THE NEW PRESIDENT elect of the CUNA Mutual Insurance Society is Gurden P. Farr (Michigan). Harold Moses (Louisiana) was elected vice-president; J. D. Nelson MacDonald (Nova Scotia) secretary; John L. Moore (California) treasurer.

Management was authorized to proceed to contract an architect to draw plans for consideration for a new CUNA Mutual building providing the National Board authorized the Executive Committee to purchase the present CUNA Mutual quarters, and sell the land for the new building.

The Hamilton and District Chapter of Credit Unions were given permission to go ahead with their plans to landscape and beautify the grounds at CUNA House—Maison CUNA.

Joseph DeRamus reported for the Magazine Advertising Committee

Gurden P. Farr Elected President of CUNA Mutual

"It is part of our American tradition to work things out together.' This is the theme of our 1955-56 magazine advertising program. Propaganda by certain groups is being directed against our entire public relations program. To overcome this, institutional-type advertising will be used to tell our story to the American public. This will be carried in LIFE and READER'S DIGEST. Combined circulation of these two magazines is 15,400,000. I might say our first ad in the READER'S DIGEST is appearing in the June issue and our first ad in LIFE magazine appears in the May 9, 1955 issue on page 45. The ad in the READER'S DIGEST is on page 2.

"The other part of our program will be the endorsement-type ad from business leaders, and we will continue to direct it to top management. These ads will appear in TIME and U. S. NEWS AND

WORLD REPORT. The combined circulation of these two magazines is 2,600,000.

"In Canada, the endorsement ad has proven most successful and will be used in the following magazines: READER'S DIGEST (French and English editions), MONETARY TIMES, FINANCIAL POST, CANADIAN BUSINESS AND TIME. The combined circulation of these six magazines is 936,998 . . .

"Since we began advertising in 1952, more than 100,000 people have written into Madison and Hamilton and 1,500 new credit unions have resulted. Our membership has been stimulated considerably; CUNA Mutual's growth has been phenomenal; and we were able to inform more people about the credit union at a much more rapid rate than ever before in the history of the credit union movement. . . ."

Cuna Mutual Board In Action

Left to right, top to bottom: John L. Moore, treasurer; Harold Moses, vice president; Jack Conroy, Recording Secretary; William W. Pratt; A. P. Quinton; Moses C. Davis; Joseph S. DeRamus; William Reid; W. A. Dunkin; Gurden P. Farr, president; Thomas W. Doig, managing director; J. D. Nelson MacDonald, secretary.





New CUNA Supply Cooperative directors: Standing: William H. Burke, Massachusetts; Edwin W. Eich, Wisconsin; Bert Soales, Manager; S. D. Jackman, Jr., Texas; R. T. Legerman, Colorado; and Charles Hyland, Comptroller. Sitting: M. A. Stepherson, Jr., Tennessee; Thomas W. Doig, Managing Director; M. A. Pottiger, Secretary, Pennsylvania; Leonard R. Nixon, President, Connecticut; A. J. Snell, Vice President, Minnesota; and J. G. Dennis, Treasurer, Prince Edward Island.

Nixon Elected President of CUNA Supply Cooperative

Leonard R. Nixon (Connecticut) was elected president of CUNA Supply Cooperative. A. J. Snell (Minnesota) was elected vice-president; M. A. Pottiger (Pennsylvania) was re-elected secretary after serving two years as president; and J. G. Dennis (Prince Edward Island) was re-elected treasurer.

Other directors elected were Edwin Eich (Wisconsin); M. A. Stepherson, Jr. (Tennessee); William Burke (Massachusetts); S. D. Jackman, Jr. (Texas); and R. T. Legerman (Colorado).

The by-laws of CUNA Supply were amended to eliminate the Administrative Committee and to provide for an Executive Committee of four as a means of clearing up a legal question. The four newly selected officers were elected to the newly formed Executive Committee.

The Resolutions Committee of CUNA Supply brought in the resolution from the Northeast District. "RESOLVED, that Policy No. 21 of CUNA Policies be repealed and that the policies of the association with respect to supplying credit unions within the jurisdiction of each league with the various services offered by CUNA and its affiliated bodies be left solely to the discretion of the individual leagues."

It was voted: that the resolution be referred to a committee to be appointed by the President and report back at the next annual meeting, and in this way the action of



Leonard R. Nixon

the National Board will be known, and answers to questions may be obtained.

(This resolution was also referred to the Policy Committee of the National Board. It was later reported favorably to the National Board and adopted.)

Health Hints

IT IS WRONG to assume that you can't get trichinosis from bacon, ham and sausage as well as from fresh pork. The parasites which cause this painful disease are not

killed by the smoking process which gives certain pork products their characteristic flavor. All pork products should be cooked thoroughly—so thoroughly that absolutely all the original pinkness of the meat has disappeared.

—State Medical Society of Wisconsin

Getting Old? Don't Worry!

YOU'RE CROSSING the 30-year line? Or the 40-year line? Hardly any time left in life to accomplish anything?

Old age is what you make it. At the age of 77, Benjamin Franklin went to Paris to serve his country and, after 80, wrote his own famous Autobiography.

At 80, Plutarch began to learn Latin, Socrates to play musical instruments, Cato to study Greek.

Clara Barton founded the American National Association for First Aid at 84, took up typing at the age of 89. Gladstone, at 80 started his campaign to overthrow the Conservative government; became Prime Minister of England at 83.

Commodore Cornelius Vanderbilt extended the mileage of his railroads from 100 to 10,000 miles between the ages of 70 and 83, earning more than 100 million dollars in the process.

At 89, Michelangelo painted immortal canvasses; at 82, Goethe completed Faust; at 85, Verdi composed Te Deum; at 83, Tennyson wrote his beautiful Crossing the Bar.

Perhaps, instead of thinking too much about quitting, whatever your age, now is the time to start planning and doing.

Age is what you make of it.
—80 Square.



H. B. Yates
1954-55 CUNA President

IT HAS BEEN A GREAT HONOR to serve as your President for the past two years and I wish to express my sincere appreciation to those with whom I have worked. As the Managing Director's report covers our progress for the past year, I will confine my report to some of the needs of the Credit Union National Association.

The CUNA World Extension work is off to an unavoidably slow beginning, but progress is being made. The entire civilized world is aware of the need of practical assistance to the peoples of these underdeveloped countries. This is a rare opportunity to extend credit unions throughout the world. It is a disgrace to civilization that untold millions of people in the underdeveloped countries live on the verge of starvation. We frequently hear the statement that approximately one-third of the world's people are always hungry. The credit union movement originated in Germany under famine conditions. Raiffeisen, after trying several plans to relieve the suffering of the people of his village during the potato famines of the late 1840's, finally came up with the democratic credit union based on self help.

A Contribution Toward Peace

We are all in favor of a democratic world; we are all in favor of a peaceful world. The Bandoeng conference of 29 Asian-African countries, showed us that we are slowly, but surely, winning these two ob-

President Yates Discusses

— Our Part in World Peace — How We Finance Movement

jectives. Canada and the United States have about 6 per cent of the world's population of 2½ billions of people. We enjoy approximately 50 per cent of the world's wealth; produce about 50 per cent of all the manufactured goods, and use up about 50 per cent of the raw materials. The other 94 per cent of the people have the remaining 50 per cent and those near the bottom are not too happy about their lot. Our CUNA budget shows \$25,000 for the extension work for next year; needless to say, little can be accomplished with this small amount of money. This World Extension work is nothing more than a small contribution of the credit union people of North America to the establishment of peace and democracy throughout the world. All the little peoples of these nations want is a chance. They will be given this opportunity by being allowed to find their own economic strength through mutual self help. What will this work mean to the untold millions of little peoples? It will mean the dignity and feeling of independence that goes with having savings and being able to borrow. It will mean the right to make their decisions and to control their own affairs. It will mean democracy.

CUNA Mutual Insurance Has Expanded Character Credit

The miracle of CUNA Mutual has been told time and again. There is no way of estimating the importance of this insurance company to the credit unions of North America. The insurance of loans has allowed our credit unions further

to extend the principle of character credit; the prompt payment of claims has allowed our credit unions further to extend the principle of Christian charity. We appreciate the fact that some of our ablest leaders have spent years as CUNA Mutual Directors. We appreciate the fact that low cost insurance has helped to sell the credit union idea and tied our membership more closely to the credit union. But, it is not the business of the CUNA Mutual Insurance Society to finance the Credit Union National Association.

Budget Items Reviewed

If the credit union movement on the North American Continent is to remain an independent, democratic movement, it is going to be necessary for the Credit Union National Association to raise enough money in dues to support the National Association and stop depending upon CUNA Mutual Insurance Society to bear so much of the burden. If we are going to govern the Credit Union National Association, we should be willing to put up the money to support it. CUNA Mutual should be allowed to return its earnings to the policyholders in the form of dividends, or reduced rates, where it properly belongs. Because of the fact that the Board of Directors of the Credit Union National Association has never been willing to raise enough money in dues to support the National Association, CUNA Mutual has stepped in to fill this need. As we have it today, the Credit Union National Association is spending \$45,000 to bring



A delegates view of the Cuna Executive Committee from the floor of the Convention in St. Louis, Missouri, 1955.

170 directors to this National Board Meeting — the main business of the meeting being to pass on a budget of \$380,000. This one meeting accounts for about 12 per cent of our total budget for the year. The total CUNA Administrative expense, including the National Board, the Executive Committee, the sub-committees, and elected officials is \$67,000 or 17 per cent of our total budget.

In contrast, the ten members of the CUNA Mutual Insurance Society Board of Directors, at the February quarterly meeting, voted a budget of approximately \$1,900,000 — over \$700,000 of it to support the magazine advertising and most of the field force of the Credit Union National Association. This \$700,000 is almost double the CUNA budget. This \$700,000 is credit union money, but it is not coming from the proper source, nor is it coming through the proper channels. The credit union movement is entirely too important to serve as a kite tail for any life insurance company.

Who Should Pay the Bills

Number 24, Policies of CUNA, reads as follows:

'It shall be the policy of the Credit Union National Association, Inc., that all departments of the Association shall be financed from the budgeted funds of the Association.'

Some serious attempt should be made to follow this policy or else it should be repealed. At the present, the Credit Union National Association is supporting three field men, the CUNA Mutual Insurance Society has eight men in the field. On the field force, the Credit Union National Association is spending \$38,460 in 1955-56, and CUNA Mutual is spending \$119,540; in the advertising budget for 1955-56 CUNA is spending \$21,938 and CUNA Mutual is spending \$571,046. This is an unnatural, unhealthy situation which should be corrected by this National Board. If CUNA Mutual continues to shoulder the expenses, there is danger of the National Board degenerating into a debating society with no power. There is an old proverb that whoever pays the fiddler, calls the tune. The Credit Union National Association should finance the field men and leave the advertising to CUNA Mutual — except the small amount required of CUNA by the Wisconsin Department of Insurance.

It is a law of nature that power flows to the body capable of exer-

cising that power; today, the CUNA Mutual Insurance Board, not the Board of Directors of the Credit Union National Association, decides how many field men will be used and how much money will be spent on advertising. The CUNA Mutual Insurance Board is not responsible to the credit unions belonging to the Credit Union National Association, but only to the policyholders of the CUNA Mutual Insurance Society...

Important Investments

We are continually advancing into new fields: Public Relations, Credit Union School, and World Extension. Any new department calls for the expenditure of some money. Because of the fact that we seem to be making more enemies as we grow larger, the public relations department will probably be needing more money. The CUNA Credit Union School has raised the question of an Education Department. As I see it, the greatest need is to get the field force on the CUNA payroll and increase the amount being spent on World Extension. Credit unions are making money and leagues are prosperous. We have one state league with a budget of \$283,000 or 60 per cent of the CUNA budget. An increase of 2 cents a member for 1956-57 would make a floor of 7 cents and a ceiling of 11 cents and based on a projected membership of 6½ million by December 31, 1955, should produce approximately \$529,000 or \$149,000 more than this year's budget. This amount should bring the entire field force under CUNA and increase the \$25,000 being spent on World Extension work this year. It is well for us to remember that the Credit Union National Association is all that stands between the credit unions and taxation, unfriendly legislation and destruction. An increase of 3 cents a member would be more in keeping with the actual needs of the Credit Union National Association.

It is imperative that we keep this credit union movement democratic and not allow it to go the way of most mutual insurance companies, savings and loan organizations, and other organizations originally organized on a democratic basis. We claim that the credit union is economic democracy; but to have economic democracy, it is absolutely necessary to have political democracy. Democracy is an ideal that we must continually fight, work and strive for — it is not the easy way.

Upside Down

Popular usage has turned the meaning of the word credit around, until it signifies something that the seller and not the buyer gives. Strictly speaking, it would be incorrect for a seller to state that he does or does not give credit, for it is the prospective buyer who gives or offers credit in exchange for the merchandise purchased or services obtained.

The seller may accept or reject this intangible offering, depending upon whether or not, in his opinion, the buyer possesses the willingness and ability to redeem his promise at maturity.

Thus, in practice, it may be said that credit is stood on its head when sellers on time are referred to as credit grantors.

—Credits and Collections, T. N. Beckman and R. Bartels.
—The Industrial Banker.

Types of Credit Union Members and How to Serve Them

For members

who are:

You will need:

Nervous members

Tired and cross	Patience
Fussy and nervous	Consideration
Excitable	Quiet manner
Impatient	Dispatch
Unreasonable	Calmness

Dependent members

Timid	Gentleness
Sensitive	Gentleness
Undecided	Decision
Deaf	Sympathy
Old People	Sympathy
Children	Helpfulness

Disagreeable members

Skeptical	Candid manner
Inquisitive	Knowledge
Talkative	Courteous brevity
Insulting	Self control

Trying members

Critical	Knowledge of credit union
Indifferent	Tact
Silent	Perseverance
Special deal hunters	Convincing manner

Common-sense members

Pleasant	What they expect
Decided	Good service
Intelligent	Good service

Satisfied members are the credit unions' biggest asset.

Adapted from Sales Pamphlet of National Cash Register Co.

CUNA Moves Forward

Report of Thomas W. Doig

Managing Director

World Extension Department

During the past year, the Foreign Operations Administration has brought to this country for training in credit union work Glenn Regist of Trinidad and Tobago.

Kishori Mohan of India is currently being trained by CUNA and several leagues so that he may return to his country to develop a credit union program.

Joane Naisara of Fiji was selected by Father Ganey and the Credit Union Central Committee to receive this training. His transportation was arranged to San Francisco by the Government of Fiji. The cost of his training is being assumed for the most part by the World Extension Department as part of its indoctrination program. The Ohio, Illinois, Michigan, Iowa, Pennsylvania and Connecticut leagues and the Wisconsin league have assisted in training Messrs. Regist, Mohan and Naisara.

On Saturday, April 16, the Illinois Credit Union League voted to appropriate \$1,000 to employ an

individual to organize credit unions any place in the world that might be selected by the CUNA World Extension Department.

In addition to the above we have had contacts with the Pan American Union; Food and Agriculture Organization; Dr. Laubach of the World Literacy Committee; World Neighbors, Inc.; Ray Miller, consultant for F.A.O.; World Council of Churches; National Council of Churches; etc.

The World Extension Department has been in contact by mail with nearly 40 countries.

Advertising Program

You voted that our radio advertising program be switched to television in the not too distant future and ultimately be under the direct sponsorship of and financed by the Credit Union National Association. A television program, similar to our radio program, for Canada and the United States would cost us at least a million dollars a year. The Credit Union National Association and the CUNA Mutual Insurance Society



are jointly sponsoring a magazine advertising program in Canada and the United States at an annual cost of \$592,984. The CUNA Mutual Insurance Society contributes \$571,046 toward financing this program and the Credit Union National Association contributes \$21,938.

CUNA Advertising Department

You voted that we should establish a CUNA Advertising and Promotion Service Department at Madison. Accordingly, this Department was set up September 1, 1954.

Since organization, the Advertising and Promotion Service has produced BRIDGE ads; redesigned CUNA Supply catalog; Poster-a-Month series; CUNA Mutual annual report; insurance pamphlets; folder on the 100 percent blanket bond No. 576; CUNA Auto Insurance payroll inserts; CUNA Retirement Savings Fund pamphlet; design and artwork on Credit Union Yearbook; exhibits at National Board Meeting; Members Mutual annual report and a buyer's guide; Ohio folder; East Hartford Aircraft leaflet; Tennessee Central FCU annual report; and many other items.

Cashing Checks For A Fee

The action brought by three Federal Credit Unions in a District of Columbia Court to restrain the Bureau of Federal Credit Unions from suspending their charters be-



Advertising Committee at Work.



cause they were cashing checks for a fee was dismissed by that court as a suit against the United States without its consent. As I understand it the credit unions have discontinued the practice of cashing checks for a fee but they are taking their case to the Court of Appeals. Our General Counsel will file an amicus curiae brief with the Court of Appeals.

Undesirable Legislation

On January 5, 1955 Congressman Mason of Illinois introduced H. R. 43, which, if passed, would repeal that portion of Federal law which exempts credit unions from taxation. There have, as yet, been no hearings on this legislation. We are watching this carefully and will take action at the appropriate time.

Auditing Service

At its meeting in May, 1954, the Board of Directors of the Credit Union National Association adopted a resolution reading in part as follows: "That consideration be given to obtaining an auditing service from competent auditing firms or through the leagues as an independent audit."

Management surveyed all leagues and found that no league except Quebec has had experience with such audits. In Quebec they have simply employed an accountant and his salary and expenses are apparently paid for out of dues.

From all the information I have been able to gather, I believe this type of service can best be obtained at the league level.

CUNA Supply Cooperative

Net Sales, \$582,396.30 1955, \$508,946.40 1954, 14.3% gain.

During the past year, CUNA Supply Cooperative has increased its production facilities very substantially. On September first, we moved into our new warehouse which was added to Filene House.

Since that time a new large offset press has been installed, together with a new cylinder press, another paper cutter, a small camera for duplicating purposes, a new layout table and a tipping machine, together with other incidental equipment for a total of \$30,000 in added production equipment.

Additional equipment will be added as funds become available, such as a large camera, linotype machine, new folding machine, and a gang stitcher for booklets. All

of which are needed to keep abreast of the ever increasing demands.

CUNA Bonding Service

Following is a report of the operation of our bond program with Employers Mutuals Liability Insurance Company from January 1, 1951 to March 1, 1955:

Number of bonds issued	21,239
Earned premium 1/1/51 to 3/1/55 ..	2,008,497.92
Net losses incurred	\$1,218,143.23
Ratio net losses incurred to premiums earned	60.65%

1,461 bonds are in force in the Canadian District, 962 of these are covered under Bond No. 576, 200 carry 100% plus protection. Loss experience continued at 117% of earned income.

CUNA Mutual Insurance Society

Your life insurance company was organized May 20, 1935 and commenced business on August 16 of the same year. Credit life insurance was then in its infancy and the few life insurance companies that would write it had little or no knowledge of credit union philosophy or operations. Born of necessity to meet credit union members' insurable needs, CUNA Mutual Insurance Society has blazed a glorious trail in the fields of credit and thrift insurance. Today, with coverage approaching two billion dollars, your life insurance company stands among the top thirty companies on the North American continent by coverage in force, a record-shattering achievement in the short span of twenty years.

Loan Protection was then, and still is, our primary consideration. That no man's debts shall live after him makes good business sense service-wise and dollar-wise has been proven many times over. The security and peace of mind afforded hundreds of thousands of credit union families continent-wide speak louder than the millions of dollars paid in claims and dividends.

The 1954 annual report recently mailed to you covers in detail CUNA Mutual's operations for the past year as well as recaptures some of the highlights in your life insurance company's spectacular development since organization. I trust you will read it carefully for it is a story of service made possible only through the united efforts and wholehearted cooperation of

credit union people continent-wide.

The Building Committee of the CUNA Mutual Board of Directors is presently giving consideration to the possibility of erecting a new Home Office Building on Filene House property to more conveniently meet the presently foreseeable space needs of its rapidly expanding business. This Committee is working closely with the Building Committees of your Executive Committee and CUNA Supply Cooperative in order that any action taken will be in the mutual interests of each of our three corporations.

The Credit Union Bridge

Subscriptions for April totaled 33,585. The subscription gain for the April issue was 454, for the last three months it was 931, and 1,396 gain during the past twelve months. Our mail indicates that more readers of Bridge are awakening other responsible officials of credit unions to the advantage of sharing helpful ideas and information through The Credit Union Bridge. However, our main strength for new subscriptions still comes from the full-time league and CUNA representatives.

CUNA In the Field

Field staff members had the opportunity and privilege of working with credit union leaders in nearly every state and province during the year. Staff members attended league meetings and education institutes in the Territory of Hawaii, Puerto Rico, Jamaica, and Haiti. This gave them the opportunity of assisting the leagues in many ways all of which is deeply appreciated by all concerned.

A credit union league was organized for the credit unions in New Hampshire in 1954 and work toward this end has been going on in New Mexico and Wyoming. At the present time thirty-three state leagues employ full-time managing directors. Added to these are the District of Columbia, Hawaii and Puerto Rico with nine leagues in Canada represented by managing directors. This makes a grand total of forty-five leagues that have managing directors who devote full-time to credit union work. Maryland employs one individual who devotes full-time to credit union work, but as yet does not have a full-time managing director. At the recent convention of the Arizona Credit Union League, action was taken to employ a full-time managing director this summer.

We have made rapid progress since the end of World War II in the development of leagues and chapters throughout North America. Several leagues today employ more people than were employed by the Credit Union National Association in the year ending 1935. We have made great progress in spreading the gospel of credit unionism. The organization of 2107 credit unions for the fiscal year of 1954 which ended February 28, 1955 resulted in giving thousands of people credit union service.

A summary of the activities of our entire staff for the fiscal year, is as follows: 175 credit unions organized; 161 credit unions affiliated; 147 loan protection contracts sold; 150 life savings contracts sold; 150 CUNA bonds sold; 1025 Bridge subscriptions sold; 2 chapters organized; 3056 credit union officials contacted; 425 credit union board meetings attended; 67 chapter officials contacted; 66 chapter meetings attended; 1197 league officials contacted; 84 league board meetings attended; 54 league annual meetings attended; 8 league executive committee meetings attended; and 329 other meetings attended.

Volunteer Organizers

The 1954 Volunteer Organizers' Contest produced a substantial number of new credit unions but certainly did not keep pace in growth either with previous contests or with the general trend of organization activity. Of the 69 contestants entered in the 1954 contest, 65 reported a total of 164 new credit unions.

School for Credit Union Personnel

The two weeks school session held at the University of Wisconsin in July 1954 was an outstanding success. There were 55 students in the class, representing 26 states, provinces or territories. Some were from large and others from small credit unions. Since the school in July, we have been advised of several who have become full-time credit union workers and others who have assumed more responsible positions in credit union activity. All indications point at present to an equally successful session of the school in July of 1955.

After careful consideration by the committee in charge of the school and competent personnel from the University, it has been decided to postpone setting up a

correspondence course similar to the school until a greater amount of experience has been gained with the present school and there is greater availability of administrative personnel in the Organization and Education Department to handle the activity.

CUNA Automobile Insurance Program

January and February of 1955 showed an increase of 8.6% against the same period in 1954. We are now receiving premiums from credit unions in 28 states, Alaska and 4 provinces of Canada.

Chattel Lien Bond Program

Approximately 2200 credit unions are participating in this service. Four states, Oregon, Maine, Utah and Washington, have blanket contracts. No more recent loss experience than the 50.1% presented at the February meeting is available. Applications continue to come in at the rate of anywhere from 5 to 10 a day.

Group Accident Insurance for Voluntary Directors and Committeemen of Leagues and Credit Unions: At the present writing approximately 235 individuals are enrolled in this program. This exceeds the 200 basically required by Employers Mutuals to make this insurance effective.

Auto Insurance Program in Canada

The CUNA Automobile Insurance Program is in effect in Manitoba, New Brunswick and Alberta. Arrangements are being made to finalize offering this service in the Province of Quebec. Mr. Gordon Woodbridge of the Canadian Office has been licensed as an agent for Employers Mutuals for the purpose of completing contracts to the staff and on company cars of the Canadian Branch.

Public Relations Department

Adverse publicity about credit unions, due to defalcations, etc., attacks on credit unions by N.T.E.A. and their friends and articles in banking magazines expressing concern about the rapid growth of credit unions has caused many large corporations to question the advisability of permitting credit unions to operate on company premises with company approval and blessings.

Through personal visits M. F. Gregory has been able to clear up much of the misunderstanding that exists with many of the companies

and they have reversed their ruling prohibiting credit union operations and organization on company premises.

As charges continue to be made by groups unfriendly to credit unions, it is apparent that we must give industry people an answer that they can use to combat charges made against them because they permit their employees to own and operate credit unions.

The N. T. E. A. film "Citizen Dave Douglas" represents a vindictive attack on the tax status of credit unions, savings and loan associations and other mutual and cooperative organizations. We received many replies from TV stations and the general reaction was that the motion picture, "Citizen Dave Douglas," was entirely too radical to serve as a public service feature. We are quite sure that few, if any, television stations will now show this film as a public service unless the station does through error.

It is also our understanding that the motion picture distributing organization which was handling the film is not going to promote the film with its own funds and the entire promotion of the film will be left to the N.T.E.A. and its friends. Letters were also sent to Rotary International and Kiwanis International. These also pointed out that the film was controversial and suggested that they view it for their own information. They indicated that if the film were critical of our organization, they would have no desire to recommend its showing as a program feature to local groups.

The film is currently being shown on a paid basis on many TV stations but even on this basis some TV program directors have refused to show it as being too "radical".

Credit Union Day

There appears to be a very marked increase in the number of credit unions and credit union chapters celebrating Credit Union Day, and in the size and quality of the celebrations. A survey questionnaire brought replies from 64 chapters, which reported 61 chapter parties, 34 official proclamations, 261 items of printed publicity, 84 radio announcements or shows, and 16 television appearances. From clippings and information we have otherwise received we know that these reports are by no means conclusive. However they do reflect a gratifying amount

We Saw Bill Knight at the Convention

The picture story of W. O. Knight, Jr., Secretary of CUNA, gives a camera eye version of the activities of a delegate during this year's convention in St. Louis, Missouri. The activities range from arrival to departure; recreation in off hours to committee meetings; greeting old friends and meeting new; and from the California League orange juice dispenser (a yearly feature) to podium on the convention floor.

of public attention for a relative small expense in effort and money on our part.

Magazine Articles and Reports

We are constantly furnishing information to writers and students for articles and reports.

Credit Union Yearbook

We have now published our second credit union yearbook. Each credit union receives a copy, a limited supply is furnished leagues (with extra copies available at cost). In addition copies are sent to libraries and colleges, legislators, and a wide group of opinion makers. It is without a doubt widely used and appreciated.

League Public Relations Conference

Fifteen leagues had 23 participants in our first League Public Relations Conference February 21-22. The purpose of the conference was to exchange ideas and work toward a better coordination of our public relations programs. Specialists in journalism, public relations, government, industrial relations and other financial agencies, as well as members of the CUNA staff, made special presentations.

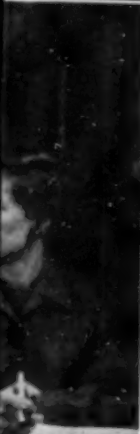
POP Fund

On April 12, POP Fund subscriptions totaled \$19,994.83.

The importance of our public relations program cannot be underestimated. Most of us realize that the 1955-56 budget proposal of \$86,500 is inadequate to cope with the problems confronting the credit union movement today.

It should be pointed out too that our present budget does not allow for a public relations section in the Canadian office.







W. A. Dunkin, Chairman

"AT OUR NATIONAL BOARD meeting a year ago the Planning Committee came before you with several concrete proposals which you in effect adopted. As a result of your decisions then we now have the CUNA World Extension Department set up in Madison and the CUNA Advertising and Promotion Department has been functioning for some time.

It is not our intention to attempt to evaluate here the benefits or results indicated so far through the establishment of these projects as you already have or will receive reports on them and can judge for yourselves. Only insofar as they affect further planning shall we refer to them.

CUNA WORLD EXTENSION DEPARTMENT

This department was activated on October 18, 1954. The budget that will be proposed for 1955-56 in amount of \$25,000 will limit this department's activities for the most part to providing assistance and advice to organizations and individuals already engaged in helping people set up their own self-help programs. Presently our contacts in this department are made through other organizations like the FOA (Foreign Operation Administration), CARE, food and agricultural organizations, church and labor groups and it is their money that is being spent to do the more or less preliminary work.

So far the main lot of inquiries have come from the Asian countries and countries that are more or less under the Iron Curtain. It is felt that a program should be set up to do more direct work in our own hemisphere in South America. The

Four Recommendations Adopted From Planning Committee Report

budget should be expanded to permit the development of an area until the project could be taken over by FOA or by the local government or by the credit union people involved. A pilot or exploratory operation in South America could be started by adding an additional \$25,000 to the 1956-57 budget, so that this budget would be \$50,000 instead of \$25,000.

The program for CUNA World Extension Department for the following year—1957-58 should be further increased to expand the foreign student program and to permit the Department to participate in economic conferences in various parts of the world. A working relationship might logically be developed, for example, with the University of Puerto Rico to train credit union workers for Latin American countries. An additional \$10,000 should be enough to finance this further expansion, which would mean that the proposed budget for the World Extension Department for 1957-58 would be \$60,000.

PUBLIC RELATIONS DEPARTMENT

We believe that all of us are very well pleased with the initial results of our Public Relations Department. The apparent need here is to increase the operations of the Department so that we can continually do a more effective job at all levels. It is true that the operations of the department will to a great extent be limited by the funds available, but it is the feeling of your committee that certain expansion is necessary,

keeping in mind that other groups are spending quite a bit more than we for public relations work. It has been reported, for example, that the Savings and Loan League has raised a fund of two and one-quarter million dollars to finance their public relations program over a three year period. And we know that many of the groups opposing us are spending major sums to influence the public toward their points of view.

In estimating the needs of the Public Relations Department for the future we have kept in mind two basic thoughts (1) the necessity of doing a more complete job in the areas in which we are now working and (2) the necessity of expanding into new and just as important areas of influence.

The 1956-57 expansion contemplates the employment of a representative to assist the director in contacting business, industry and national organizations of business, religion and labor, with travel for that representative. The \$1,000 allocated in the 1955-56 budget to community relations work will only permit us to scratch the surface. In an international movement like the credit union movement a great amount of our public relations work should be done at the community level to influence the opinion makers and build up the stature of credit unions in the eyes of the community leaders. Therefore it is felt that to be more active in the field will require increasing that item to \$10,000. The Credit Union Day program should be expanded as indicated as during the past several years it has been somewhat curtailed due to budgetary limitations.

The larger allotment to the credit union yearbook will permit the publishing of a larger, more attractive book and to use it more widely in general public relations work.

While the expansion proposed for the next two years does not include these items, it is felt that ultimately, and as soon as feasible, the services of the Public Relations Department should be expanded to include (A) the employment of a public relations consultant at a probable annual fee of \$5,000, (B) high school and college programs to include a primary school credit union



"\$10 for new tackle, plus \$10 for gas and oil, plus \$20 for lodging, plus \$15 for meals. Divide that by five and one-half—comes to exactly \$10 per pound."

development program, (C) some type of family finance or consumer economics program and (D) the establishment of a public relations section in the Canadian office. These four items would require an additional \$22,500 per year.

The above does not indicate or contemplate any increases to develop TV and radio activities or movies, institutional advertising, public relations conferences or similar activities, which are quite expensive. While very desirable it does seem that we can expand the program to include them for some time to come.

ORGANIZATION AND EDUCATION DEPARTMENT

Our present Organization and Education Department is provided for in our CUNA Bylaws — Section 19.

The rapid development of the movement now makes the old set-up too all-inclusive and it is proposed that we set up two separate departments known as the Organization and Contact Department and the other as the Education Department with a Director in charge of each department.

In the Education Department should be placed practically all educational functions and responsibilities, such as direction of the School for Credit Union Personnel, development of league and chapter educational institute programs, publication of the Organization News, gathering of statistical information, development of legislative and supervisory programs, etc.

There should be one special assistant to make a study of all credit union laws, rules, the regulations issued by supervisory departments, etc. This would permit the gathering and dissemination of all such information to leagues and credit unions plus advice, suggestions and counsel on help on legislative problems when they arise in the various states and provinces.

There should be another special assistant who would devote full time to development of methods and techniques in the establishment and operation of community, rural and associational credit unions. This is a most fertile field for future credit union development but will take considerable study to develop not only how to get them started but to keep them operating successfully.

There should be another special assistant to devote full time to (A) league development programming (B) credit union conference programming (C) development of pro-

grams for job evaluation and personnel training, particularly for large credit unions and (D) development of programs to help officers and employees of credit unions to have a better understanding of the basic purposes and philosophy of the credit union.

It would be necessary with the development of these specialists to increase the personnel of the Department by at least one stenographer. The Department presently has one stenographer and a typist.

The budget for 1955-56 as it would cover the Education Department if now on the separate basis proposed would be \$39,780. Future years would naturally reflect the gradual growth of the Department by nominal increased expenditures.

If the program outlined is adopted it will be necessary either to do so gradually as finances are developed or a definite program of increased financing should be worked out so it can be put into effect in a much shorter period of time, preferably in line with the tentative schedule set up on the budget statements.

No increases are contemplated for 1955-56. For 1956-57 the increased budgetary requirements would be \$61,400 for the World Extension and Public Relations Departments — \$69,810 for the Organization and Contact and Education Departments — a grand total of \$131,250.

Four Recommendations Adopted

1. Expand the program of CUNA World Extension Department for 1956-57 and 1957-58.

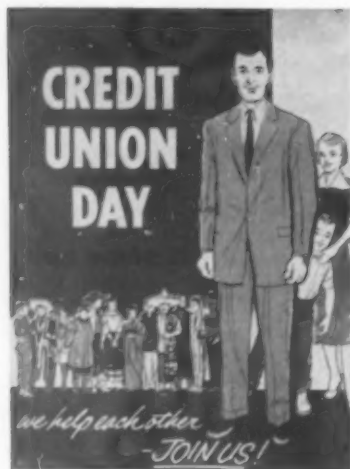
2. Expand the program of CUNA Public Relations Department for 1956-57 and 1957-58 as outlined.

3. Expand the program of CUNA Public Relations Department, as soon as feasible to include (A) public relations consultant (B) high school and college programs (C) family finance or consumer economics program and (D) public relations section in Canadian office.

4. Change present Organization and Education into two departments (1) Organization and Contact Department and (2) Education Department as outlined, making provision for the necessary amendments to CUNA's bylaws.



Delegates and visitors enjoy entertainment at banquet.



Put Emphasis on Community Celebration

Plan Now for Credit Union Day!

A Message from

M. F. Gregory

Director of Public Relations

Credit Union National Association

NOW IS THE TIME to plan for your community observance of International Credit Union Day, which falls on Thursday, October 20 this year.

The most important thing to do on Credit Union Day is to make people in your town aware of credit unions.

Credit Union Day is a day of thanksgiving for the credit union privilege and a day when we make a special effort to share the benefits of credit unions with more people—a time when we do something extra to let others know what credit unions are, how they can organize one, how they can join one, how they can benefit from them.

I hope your chapter will have a fine, big celebration on Credit Union Day but it's even better if credit unions and individual credit union members celebrate. Remember this when you plan your local events. One dinner party in one hotel will not do the job. Make it possible for members to take part. Plan more events; maybe parties in individual credit unions. Keep the cost down! Most working people cannot afford to spend \$7 apiece for banquet tickets.

Better to have a picnic, a ball game, a street dance, a box social, a potluck—let each credit union and each town celebrate in the way it likes best.

Chapter Is Spark Plug

Remember, the chapter is not supposed to do all the work for your local observance of International Credit Union Day. The chapter is the spark plug; the coordinating agency. Each credit union should do something specific to observe Credit Union Day. Work through

your chapter, but take responsibility in your own credit union for observing our holiday on Thursday, October 20.

Tell People!

One of the best ways to observe international credit union day is to tell people about credit unions.

There are lots of ways to do this.

Send your local newspapers stories about your plans. Use radio and TV. Advertise. Hang Credit Union Day posters all over town. They're free; we'll send them to you if you write. And don't forget to just plain tell people: Ask each of your members to tell one other person—a neighbor, the grocer, the man he rides to work with—about credit unions on International Credit Union Day.

Make News!

Make Credit Union Day news in your town! Plan public observances that call attention to credit unions

and the job they're doing to help your community. Invite important people to take part. And don't forget, Credit Union Day is also a day to say "thanks" to the people who have helped to make a success of our credit union work. Let the businessmen, public officials and community leaders who support and endorse credit unions know that you appreciate it!

All Over the World

Credit union people in other countries will be celebrating with us on Thursday, October 20. They'll be giving thanks for credit unions and joining hands with us on Credit Union Day in South and Central America, Fiji Islands, the Philippines, Europe and India.

Write Us

Remember, CUNA's Public Relations Department is your public relations department. Write us for help, and send us your ideas, too.

FREE CREDIT UNION DAY KIT TO HELP YOU

A big, fat folder of ideas, plans and materials to help you celebrate Credit Union Day. A copy went to each league and chapter. If you want one, just mail this coupon to:

Public Relations Department
Credit Union National Association
Madison 1, Wisconsin

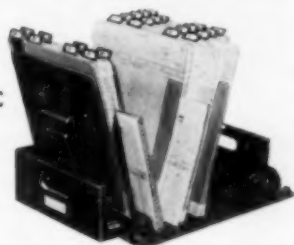
Please send free Credit Union Day kit to:

Name.....
CU, Chapter or League.....
Address.....
City..... State or Prov.....

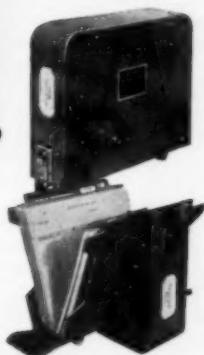
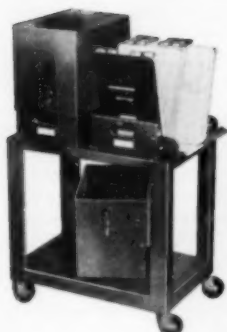


Working Days go **FASTER** and **EASIER** with these **POSTING TRAYS**

**PORTAMATIC
POSTING
TRAYS**



**COMPLETE
POSTING UNITS**



**NORFIELD
POSTING BOX**



NORFIELD POSTING TRAY

**MAIL COUPON FOR DETAILED
LITERATURE AND PRICES...**

PORTA-MATIC POSTING TRAY

Bookkeepers like this portable posting tray because it is so easy to handle, so easy to operate. It opens and closes with a flip of the handle, stores overnight in a vault or most letter files—or under its own locked hood (extra, described below). Ledger cards are always ready for instant reference.

Porta-Matic Trays come in lengths and widths for every posting operation. The trays have a drop side, so that posting information and ledger cards can be offset as desired. Rubber runners protect your desk top. Metallic gray finish.

DUO-MATIC POSTING TRAY

Like above, but with added deluxe quality throughout. Lustrous chrome hardware.

COMPLETE POSTING UNITS

Your trays combine with accessories to make complete posting units. Tray hood with lock (as shown) converts each tray into a storage cabinet. Rollaway stands hold one or two trays, and come in a choice of 3 styles: open style (shown), lock-cabinet style, and file-drawer style.

NORFIELD POSTING BOX

This compactly-built posting box protects records with quality steel and two sturdy locks, yet requires only 3 1/2" of shelf space! Sizes available to accommodate all standard ledger cards. Ideal for smaller credit unions.

NORFIELD POSTING TRAY

This rugged, lightweight posting tray is a tested performer in credit union offices. It provides quick adjustments for both width and capacity—plus drop-rail provision for offsetting cards on both sides! Easily portable, with cupped carrying handles on the end plates which automatically close the tray to prevent spilling of the contents. Gray crinkle enamel finish, chrome-plated handle and fittings.

Tray stands (as shown) are available, holding one or two trays. Stand is finished gray and chrome to match tray, with choice of studs or casters.

CUNA Supply Cooperative

7-55

Box 333, Madison, Wis. • Box 65, Hamilton, Ont.

We are interested in the units checked below. Please send us details and prices.

- | | |
|---------------------------------------------------|------------------------------------------------|
| <input type="checkbox"/> Porta-Matic Posting Tray | <input type="checkbox"/> Norfield Posting Box |
| <input type="checkbox"/> Duo-matic Posting Tray | <input type="checkbox"/> Norfield Posting Tray |
| <input type="checkbox"/> Complete Posting Units | |

Name _____

Credit Union _____

Address _____



229 Credit Unions Reported During May

Highest Month Since March of 1954

by W. B. Tenney

Assistant Director, Organization and Education

DURING MAY there were 229 new credit unions reported by 40 states and provinces. This is 69 more than the number reported during April, but there was one less state reporting than there was in that month. The total for May is also the highest reported since March of 1954, when 285 were organized.

California took over first place honors for the month, with a score of 23. Michigan and Puerto Rico shared second place with 19 each. Ontario wound up in third place spot with 17. Texas came into fourth place with 14, and Pennsylvania rounded out fifth place with a score of 13.

Casualties ran rather high among the junior members of the One-or-more-each-month club during May. Connecticut, Maine, South Carolina, and British Columbia dropped from the ranks of junior membership during the month, leaving the following junior members still racing toward senior membership at the end of next February: Alabama, Arizona, Colorado, Georgia, Indiana, Iowa, Kansas, Kentucky, Louisiana, New Jersey, Oklahoma, Oregon, Tennessee, Washington, Wisconsin, Hawaii, Puerto Rico, and Quebec.

The senior members of the club (California, Ohio, Texas, Illinois, Michigan, Florida, Missouri, Ontario, Pennsylvania and New York) each added another month to their

string, and we sincerely hope that they will be able to retain that fine record.

Only the Southern District was able to equal or exceed their score for the same month last year during May of 1955.

Volunteer Organization

The 1955 Volunteer Organizers Contest has a total of 20 contestants who have entered their name. Eight of these contestants have reported a total of 11 credit unions in the first three months of the contest.

Right now is an ideal time to enter the contest, while it is just getting started. Every contestant can win a prize, and the contest runs from March 1, 1955 through February 29, 1956. Every contestant who organizes one or more credit unions will receive a gift copy of "Liberal's Progress", the biography of Edward A. Filene, written by Gerald W. Johnson, unless awarded one in a previous contest. In the event a contestant has previously been awarded one of these books, he will be given a choice of the following books—"Crusade", by R. F. Bergengren; "The Poor Man's Prayer", by George Boyle; or "Credit for the Millions" by Richard Giles. Contestants who organize five or more other than the winner of first place, will receive a truly worthwhile first prize. He or she will have a choice between the following:

1—A check for \$100, or registration fees (value \$120) paid to attend the 1956 two weeks School for Credit Union Personnel at the University of Wisconsin in Madison; or a Lord or Lady Elgin wrist-watch suitably engraved.

2—Expenses to attend the CUNA Annual Meeting in Milwaukee, Wisconsin, in May, 1956, or expenses to attend the School for Credit Union Personnel, 1956 session.

In event of a tie for first place, each contestant so tied will receive the No. 1 above, but the contestants so tied will be rated according to the following categories in regard to No. 2: (1) Number of league members among the credit unions organized (2) Number of CUNA Mutual Loan Protection contracts among the credit unions organized (3) Number of CUNA Mutual Life Savings contracts among the credit unions organized (4) Number of CREDIT UNION BRIDGE subscriptions among the credit unions organized. The order listed is the order of significance. If contestants remain tied all through the above categories, then each would receive the complete award.

Enter the contest right now—today! Follow these simple rules:

- 1—Send a letter or postcard to T. W. Doig, Managing Director, Credit Union National Association, Post Office Box 431, Madison 1, Wisconsin, stating your desire to enter the contest, and listing any credit unions you have organized since March 1, 1955.
- 2—Soon after the organization of each additional credit union, advise Mr. Doig of that fact by letter or postcard.
- 3—On or before March 31, 1956, send Mr. Doig a complete list of the credit unions you have organized during the contest period. With your letter of entry, ask for the free Volunteer Organizers Kit of useful material to help you with your work.



The St. Louis Policemen's Quartet sang at the National Convention and all are credit union members.



1. Is it fast?



2. Is it economical?



3. Is it simple?



4. Who uses it?

4 important considerations for credit union accounting

Check them over, then see how a Burroughs Sensimatic Accounting Machine, combined with a Burroughs System, measures up.

Is it fast? You get the timesaving combination of mechanical speed plus streamlined procedure with a Sensimatic and a Burroughs System. Burroughs Sensimatic automatically calculates and posts paid-in shares . . . automatically computes share months for dividend calculations. Share and loan ledgers are quickly posted with either passbook or statement.

Is it economical? Sensimatic offers more than the thrift of its reasonable purchase price. The wage-hours saved by its speed and perfect accuracy are even more important. And, incidentally, it can "double" as an adding-subtracting machine on other jobs in your office.

Is it simple? Sensimatic is so simple to operate that even beginners quickly become proficient. The Burroughs Systems, too, are all streamlined to eliminate unnecessary duplication and confusion of records.

Who uses it? The most successful credit unions operating today use Burroughs Sensimatic and Burroughs Systems. Especially designed for your use, Burroughs Systems have the approval of both the Bureau of Federal Credit Unions and the Credit Union National Association.



FREE—For more information, fill out and mail the coupon. For a demonstration without obligation, call our nearest office.

"Burroughs" and "Sensimatic" are trade-marks

BURROUGHS CORPORATION Detroit 32, Michigan

(In Canada, Burroughs Adding Machine of Canada, Limited, Windsor, Ontario)

Please send me a copy of the booklet "For the First Time—Low-Cost Speed and Efficiency in Credit Union Accounting."

NAME _____

ADDRESS _____

CITY _____ ZONE _____ STATE _____

TITLE _____

CREDIT UNION _____ CU-98

Founders Club

New Members

SINCE OUR LAST REPORT the following new members have been admitted to the Founders Club:

Mr. Gene Lundquist, Reno Co-op Federal Credit Union, Hutchinson, Kansas.
 Mr. John G. Howell, Rice Greensburg, Credit Union, South Greensburg, Pennsylvania.
 Mr. W. G. McEllan, Santa Fe Shops Federal Credit Union, Albuquerque, New Mexico.
 Mr. Brian E. Plattler, Arcady, Mills Credit Union, Riverdale, Illinois.
 Mr. James H. Gullard, Billings N. P. Employees Federal Credit Union, Billings, Montana.
 Mr. F. T. Williams, Billings Conoco Credit Billings, Montana.
 Mr. Warren Brette, Battle Creek Area School Employees Credit Union, Battle Creek, Michigan.
 Iretti Ferries, Detroit Teachers Credit Union, Detroit, Michigan.
 Mr. Thomas Mullaney, Gallagher Columbus Federal Credit Union, Royal Oak, Michigan.
 Mr. Orben Wilkins, P.S.H. Credit Union, Pontiac, Michigan.
 Mr. Alfred Tostell, Flint Buick Employees Federal Credit Union, Flint, Michigan.
 Mr. John Shoemaker, Doehler-Jarvis Employees Federal Credit Union, Grand Rapids, Michigan.
 Mr. Albert Boquist, Cone Drive Gears Federal Credit Union, Traverse City, Michigan.
 Mr. Guido Cascioli, Iron Co. M. A. Hanna Employees Federal Credit Union, Iron River, Michigan.
 Mr. Cecil Chase, Clairmont-Northern Federal Credit Union, Eganaba, Michigan.
 Mr. Victor Moreau, Redford Columbus Federal Credit Union, Detroit, Michigan.
 Mr. Gerald Ernest, Wayne Co. Employees Federal Credit Union, Detroit, Michigan.
 Mr. Darrell King, Muskegon Co-op Federal Credit Union, Muskegon, Michigan.
 Mr. Edward M. Colahan, KCPC Employees Federal Credit Union, Kalamazoo, Michigan.
 Mr. Edward W. Spillane, Flint Co-op Federal Credit Union, Flint, Michigan.
 Mr. Andrew Vanderveen, Grand Rapids Municipal Employees Credit Union, Grand Rapids, Michigan.
 Mr. Bernard J. Glowicki, Bay City Auto & Federal Credit Union, Bay City, Michigan.
 Mr. Harry J. Woodman, GMTC Employees Pontiac Federal Credit Union, Pontiac, Michigan.
 Mr. Roy B. Schaefer, League Central Credit Union, New Orleans, Louisiana.
 Mr. Sherman C. Thompson, East Prowers Federal Credit Union, Lamar, Colorado.
 Mr. Frank B. Reeder, Portland Federal Employees Credit Union, Portland, Oregon.
 Mr. Harold J. Anderson, Grays Harbor Ray-onier Federal Credit Union, Hoquiam, Washington.
 Mr. Robert P. Milne, Current River Community Credit Union, Ltd., Port Arthur, Ontario.

Mr. Carl O. Selander, Denver Interior Employees Credit Union, Denver, Colorado.
 Mr. S. E. Young, Gary Sheet & Tin Mill Employees Federal Credit Union, Gary, Indiana.
 Mr. Joseph A. Curry, International Employees Federal Credit Union, No. 7027 Carlsbad, New Mexico.
 Mrs. Zella A. Berry, Yuma Federal Credit Union, Yuma, Colorado.
 Mr. Thomas D. Mitchell, Jr., CUNA Credit Union, Madison, Wisconsin.
 Mr. Clyde A. Limer, Peerless Woolen Mills Employees Federal Credit Union, Knoxville, Georgia.
 Mr. John E. Williams, Waco City Employees Federal Credit Union, Waco, Texas.
 Mr. W. A. Chandler, Waco City Employees Federal Credit Union, Waco, Texas.
 Mr. A. W. Edmiston, Sunset Employees Federal Credit Union, San Angelo, Texas.
 Mr. Ray Ersland, Texas Federal Credit Union, Dallas, Texas.
 Mr. R. M. Fuller, Vets. Adm. Fac. Federal Credit Union, Waco, Texas.
 Mr. D. H. Meskimen, Lubbock City Federal Credit Union, Lubbock, Texas.
 Mr. E. F. Smothers, Wharton County Teachers Credit Union, Wharton, Texas.
 Mr. Lovell Frazier, Super Chief Federal Credit Union, Topeka, Kansas.
 Mr. Arthur S. Davis, Chattanooga Publishing Co. Credit Union, Chattanooga, Tennessee.
 Mrs. Maxine A. Knauf, St. Paul & Tacoma Credit Union, Tacoma, Washington.

Armed Forces of Canada Allowed C. U. Payroll Deductions

As there are many credit unions which operate to serve the Armed Forces personnel, the Department of National Defense was urged by the Credit Union National Association to include credit unions as part of the provisions allowing for the assignment of pay and allowances. At the request of credit union leagues, some Members of Parliament from various provinces also appealed to the government for this privilege.

On May 25th, the Deputy Minister for the Department of National Defense—Mr. C. M. Drury of Ottawa—advised CUNA that:

"Further to my letter dated 26 April, 1955 on assignments of pay

to credit unions by members of the armed forces, I am pleased to be able to advise you that approval has now been given for such assignments to be made. Service units are being advised of this decision."

Until recently, Section 36 of the National Defense Act, provided for assignment of pay and allowances on the part of the services only to chartered banks and to life insurance companies for the payment of policy premiums.

This privilege will be a great benefit to many Canadians.

Health Hint

TOOTH DECAY is common to more than 90 per cent of school age children. In fact, nearly 50 per cent of all 2-year-olds have at least one decayed tooth. Early dental examinations are vital; every child should see a dentist before he is three years old, and as often after that as the dentist recommends. Care of "baby" teeth is just as important as care of permanent ones. If a child loses a baby tooth before another is ready to take its place, the resulting space can cause the permanent teeth to come in crooked.

—State Medical Society of Wisconsin

A 20th Century Window

"The people of the underdeveloped areas now have a window into the 20th Century . . . They are looking for a door, and we are helping them to find one . . . This, in a nutshell, is the meaning of Point IV (and Credit Unions)."

—Dr. Henry Garland Bennett first United States Technical Cooperation Administrator.

STATISTICAL REPORT

AS OF MAY 31, 1955

District Standings			
	1955	1954	1953
	May	May	Fiscal
	1955	1954	Year
Southern	45	37	148
Midwestern	17	12	37
Central	36	40	107
Western	43	22	103
Canadian	23	27	83
Northeastern	13	22	53

League Standings

SOUTHERN DISTRICT

Henry Claywell, Florida, O & E Committee Member	4	3	13
Louisiana	3	1	7
Oklahoma	6	3	12
Georgia	1	1	6
Kentucky	1	1	9
Alabama	1	1	9
Dominican Republic	9	5	9
South Carolina	0	1	5
Arkansas	9	6	2
Tennessee	5	2	7
Texas	14	17	41
North Carolina	0	0	1

Mississippi	0	0	1
Jamaica	0	0	2
Florida	3	3	7
Puerto Rico	19	0	26
B. South America	0	0	0
Canal Zone	0	0	0
Dominica	0	0	0
Virgin Islands	0	0	0
British Honduras	0	0	0

MIDWESTERN DISTRICT

W. O. Knight, Jr., South Dakota, O & E Committee Chairman	4	4	13
H. E. Wingard, Nebraska, O & E Committee Member	4	2	9
Missouri	6	4	9
Kansas	2	1	3
Minnesota	2	1	3
South Dakota	0	1	0
Nebraska	1	0	2
Iowa	0	0	2
North Dakota	0	0	0

Glenn R. Conitt, Michigan, O & E Committee Member	12	15	44
Illinois	12	15	44

Indiana	2	4	12
Michigan	19	8	44
Wisconsin	3	13	9

WESTERN DISTRICT

W. G. Loneragan, Washington, O & E Committee Member	2	1	8
Arizona	3	1	8
Washington	2	0	4
Idaho	2	0	4
New Mexico	2	0	4
Hawaii	2	1	4
Wyoming	0	1	2
Colorado	4	0	10
Nevada	0	0	2
Alaska	0	0	0
Montana	1	0	5
Utah	0	1	0
Oregon	4	3	8
California	23	14	48

CANADIAN DISTRICT

H. M. Daley, New Brunswick, O & E Committee Member	0	0	6
Alberta	0	0	6
British Columbia	0	5	11
Nova Scotia	2	2	2
Saskatchewan	1	0	1

Quebec	3	1	12
Ontario	17	19	51
Manitoba	0	0	0
New Brunswick	0	0	0
Newfoundland	0	0	0
Prince Edward Island	0	0	0

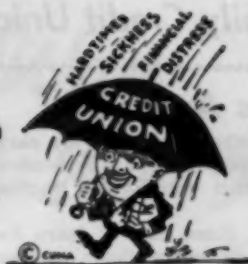
NORTHEASTERN DISTRICT

Boris Blumenthal, Maine, O & E Committee Member	2	0	2
Vermont	2	0	2
Massachusetts	4	4	10
New Hampshire	1	1	2
Rhode Island	1	1	2
Maine	3	4	1
Connecticut	2	6	14
New York	7	12	27

1955 Volunteer Organizers Contest

L. P. Davis, Tex.	3
James R. Taylor, Mont.	2
Mrs. Lillian Bigman, La.	1
O. F. Burdord, Tex.	1
O. L. Cannon, Tex.	1
Edward W. Hickey, Md.	1
Harry Karel, Mich.	1
George W. Scott, Ont.	1

FAMILY DIGEST



Volume 20

P. O. Box 431, Madison 1, Wisconsin; P. O. Box 65, Hamilton, Ontario

Number 5

A Dip In The Brink

A FEW DAYS of summer weather has us all thinking in terms of a trip to the beach or the mountains. Whether your sport is being a fish or fishing, it's time to figure out how big a credit union loan to make. Let's see. There's a cabin for 10 days, gasoline, and entertainment. Be sure to add enough for the neighbor kid to keep the lawn watered and mowed.

Treat yourself to a real vacation this year with an insured credit union loan. Refreshing ain't it?

—Contributed by Pacific Cooperator Federal Credit Union, Walla Walla, Washington.

Are You Good To Your Husband?

1. Do you awaken him gently in the morning?
 2. Do you serve him his breakfast in bed at least twice a week?
 3. Do you brush his clothes and see that he is well groomed before leaving for work in the morning?
 4. Do you see that he is well supplied with spending money, enough to see him through the day?
 5. When he arrives home from work, do you greet him pleasantly, regardless of the time?
 6. Do you have his favorite dishes prepared so that he can enjoy his meal immediately upon arriving home?
 7. Do you have comfortable clothes laid out for him so that he can enjoy an evening of pleasure out? (with the boys).
 8. Do you cheerfully permit him at least three evening out each week?
 9. Do you wash the car, mow the lawn, and do the other little chores around the home so that he may have more time to relax on his day off?
 10. Do you believe everything your husband tells you?
- Giving yourself 10 for each of the above items, what is your score?

Financial Experience Can Begin

Among Children with Small Sums

THE SMALL BOY following his mother around the store kept asking: "Mother, how can I spend my money?"

His mother paid no attention to him at first but he kept pestering her so she said: "Well do you see anything you want?"

He said: "No I don't and I want to know how I can spend my money."

His mother said: "If you don't

Most of the boys and girls we know run as fast as they can to the nearest store and buy an ice cream cone. Maybe they've just had dinner and aren't hungry at all, but they have money and think it has to be spent right away. The first thing we all need to learn about money is that it should be saved. Most young people, and many older ones too, think of money as something just to be spent. They are like the little boy in the store. Money is meant to be spent when we really need something. The rest, or all of it if we don't need anything at the time, is to be saved for what we really do need. Now, the question is, how are we going to save that money; where are we going to put it.

The credit union is just the place for the small savings of boys and girls, because no amount is too small to put in the credit union.

You might feel pretty small going to the bank with 25 cents, but you can be pretty proud taking that much to a credit union because that is just what the credit union was made for, to take in small bits of money and keep them for people as long as they wished.

When you join a credit union you get a little book with your name on it and every time you take money there the clerk will write down the amount in your book and add up how much you have in altogether so you can tell by looking at your book just how much you have saved.

Suppose you can save a quarter every week. In a year you would have \$13. Some weeks you may not be able to put in the 25c, but there is a birthday and perhaps someone gives you a whole dollar, think how that will look written down in your own book!



"Here's a lifetime of 'Do it yourself.'"

want anything why do you want to spend your money?"

The little boy answered, "Well when I told Daddy I was coming down town with you he gave me this money and so I want to spend it!"

Most of our young people will laugh at this foolish little boy because he didn't care what he got for his money; he just wanted to spend it. But perhaps many who laugh are just as foolish as he is. When somebody gives us a nickel, what do we do?

Numerous Services Available

WHenever you owe more money than you have, it's easy to get in deeper and deeper and deeper. Always remember that your credit union will go to almost unbelievable lengths to help you . . . help yourself.

Some people are thrifty by nature. Some have to learn its value. Some need help in budgeting their money. Some need an occasional lift over a hurdle. This is true of people everywhere. And that's why there ARE credit unions in the first place.

Your credit union makes it easy and profitable to save, and will loan you money inexpensively for worthwhile purpose. We offer counsel and guidance and provide benefits not available at any other kind of financial organization. For example, credit union life-savings insurance and insurance on credit union loans is automatically extended—without cost—to normally insurable members who make credit union loans or start savings accounts. We will gladly supply all details just for the asking! It's no secret that interest is charged on such loans. The amount depends on the size of the loan and the length of time it is used. This money is used to pay for things like the insurance benefits automatically enjoyed by members normally insurable, the handling of the services provided by the credit union and the people it takes to provide them.

—Contributed by the MCB Employees Credit Union.

Doctors Recommend Vacations

EVERYBODY needs to break away from the routine of normal activity at least once during the year.

It is important both to your physical and mental well-being to take this break, and the person who elects to pass it up is doing justice neither to himself nor his employer.

Vacations can take any of a thousand forms. One person may wish to "rough it," and another may want a period of leisure at a place where he can be waited on and can spend all his time in rest and recreation.

Still another may wish to broaden his horizon by traveling during his time off. Some people prefer to remain quietly at home, catching up

on the things around the house for which there is no time during the work period.

Vacations vary, according to the job, from the length of just a few days to a month. Most, however, take the standard two weeks. Though the majority seem to prefer enjoying summer weather, there are those who rather have winter vacations and get away from the rigors of cold weather for a while.

Each man to his taste—but no matter what you do during vacation, there are common-sense rules to follow. First—don't do it too hard. Physical activity is good for the man with a sedentary job—but only if he exercises in moderation. Don't try 36 holes of golf the first

day. Second—leave office routine behind you. Catching up on odds and ends is no way to spend a vacation. Third—if you are traveling, take sensible precautions in regard to how far and fast you travel, and the places where you eat and sleep. Above all, relax and have a good time!

—State Medical Society of Wisconsin.

Borrowers Can Get the Savings Habit

THE WORLD IS FULL of get-rich-quick schemes, and a man is wise to steer clear of them. The only easy way to attain great wealth is to inherit it, and since that means is closed to most of us, there remains only hard work, thrift and self discipline.

Most of us never hope to become wealthy anyhow, but almost all of us would like to have a little more saved than we have. There are many ways to save a little bit of money. If you are a borrower, for instance, you can do it by setting a fixed amount of repayment, and adding the difference to your share account. Suppose the repayment amount is \$10 and the interest on the first payment is \$2.50. Make each payment \$13 or \$14, so that 50 cents or \$1.50 goes on your share account the first payment, and as the loan balance goes down the share balance goes up.

You will not be well-to-do when the loan is paid off, but the sum you have added to your share account may encourage you to make small but regular additions to your share account. Eventually you will have made a pleasant addition to your economic security.

—Contributed by Pickwick Federal Credit Union.

and is just as rational as to die of thirst with the cup in our hands.

—Fitzsborne.

True Happiness

Many persons have a wrong idea of what constitutes true happiness. It is not attained through self gratification but through fidelity to a worthy purpose.

—Helen Keller.

City Soldier

A lad from Brooklyn turned up in a mess line in a Texas camp, holding the rattles from a rattlesnake.

"Where'd you get 'em?" a K.P. asked.

"Off a big woim," answered the big-city soldier.

—Yogi News, Henry Yogi Employees Credit Union.

Better to Buy On A Cash Basis

A SURVEY of thousands of shoppers in five large cities revealed that women with charge accounts shopped 3.8 times as much in any one store as did cash customers. Moreover, 57 per cent of the women with charges bought something before leaving the store, whereas only 43 per cent of the cash customers did so.

A Cup In Your Hand

To complain that life has no joys while there is a single creature whom we can relieve by our bounty, assist by our counsels, or enliven by our presence, is to lament the loss of that which we possess,





The Way I See It

Co-Signer Requirement Can Drive Away Good Risks

FROM: CONTACT, PUBLISHED BY
NEA COMMITTEE ON CREDIT UNIONS

While federal law permits unsecured loans up to \$400, state laws vary the amount. Some credit unions, particularly newer ones, establish even greater curbs. Too strict or too conservative policies regarding co-signer requirements often drive away good risks—persons who will not humiliate themselves by asking friends to sign with them.

Says a Kansas Teacher who serves as a treasurer: "I don't blame members for being resentful of the requirement for co-signers if the amount borrowed is under the maximum allowed by law without security. I believe that in a teachers credit union it is seldom necessary to require co-signers or security unless it is to meet requirements of the particular law under which the credit union is chartered. The character of the individual should be the main basis for making the loan."

A New Mexico teacher contends: "Our being teachers, having jobs with regular monthly pay checks, and having been fully investigated by superintendent and schoolboard should be enough. We should have faith in our fellow workers since we know one another."

Limits On Auto Loans

TO: THE EDITOR

Frequently we hear that a credit union has a loan limit on loans where the borrower's automobile is accepted as security.

Such limits are expressed as two thirds or some higher percentage of the loan value, as-is value, average retail value, etc. There appears to be no standard.

It becomes more confusing when a member wants to borrow \$300 for a refrigerator and the loan is approved without security other than the members own signature, which is as it should be, for character is the best security, or a loan of \$500 or more for a television set or furniture and a chattel mortgage on the article is taken as security for the full amount of the purchase

price. There are many more examples which could be illustrated.

But an auto as security! That's when it gets real complicated.

Let's examine a case:

A member is buying a used car. We check in the guide book and find the following:

Average Retail Value	\$1,755.00
Average As-Is Value	1,405.00
Average Loan Value	1,169.00

The average retail value means what the dealer expects to get and make a profit. The average as-is value indicates what he hopes to buy the car for to insure a good profit. The difference between the two is about twenty five percent of the as-is value. A good, very good, deal if there is quick turnover.

How about the loan value. Why is it only fifty percent of the average retail value. If the borrower fails to pay and repossession results, you can't lose.

Let's consider the purchase of a new car costing \$2,520. In general the loan value is two thirds or \$1,680. The difference is \$840.

Before considering what a reasonable loan limit might be let's review the depreciation rate.

According to a report in the Wall Street Journal on August 13, the depreciation rate has been increasing from virtually nil in the sellers market of 1946-48 to three quarters of one percent in 1950, but has been increasing faster since then as reflected in second hand values.

A larger manufacturer which has a financing agency to serve the credit needs of the purchases of its cars figures the average auto is losing 2-4 percent of its value a month.

Can we translate this to terms of borrowers dollars and loan limits.

On the new car selling for \$2,520 with credit for \$1,680 on a 36 month repayment schedule, the repayments are \$46.66 a month plus interest on the unpaid balance, the depreciation would be \$60.50 or less, therefore, at the end of one year the car is worth \$1,794 and the loan balance is down to \$1,120.

On a used car sold for \$1,755 with a loan of \$1,169 with 36 repayments of about \$32.50 plus interest on the unpaid balance, at the end of one year the car is valued at approxi-

mately \$1,370 (sale price) or \$1,068 (as-is value) or more and the loan balance \$779.

Would it not be more practical to assist our members through the medium of a more reasonable loan value of eighty or eighty five percent of the average retail and as-is value, for examples, \$1,755 plus \$1,405 equal \$3,160 divided by 2 gives an average of \$1,580 or slightly over 85 percent of the retail value and which would be a maximum loan value with the reasonable loan value being 80 percent or \$1,404 which is the stated as-is value. A loan for this amount \$1,404 for 36 months would result in \$39 payments on the principal.

On the same principal the new car loan could equal the purchase price as the repayments over an entire three year period would be the amount of the loan while the depreciation value remains equal to or greater than the loan balance during the period.

If our security is character, greater loan values on automobiles should be the rule rather than the exception.—Wm. W. Pratt, Executive Director, Pennsylvania Credit Union League.

Wholesale Buying

Not a Credit Union Function

FROM: WISCONSIN CREDIT UNION
LEAGUE NEWSLETTER

We are reminded that many credit unions are being contacted with requests to participate in "wholesale purchasing" for their people. In some instances, catalogs are being furnished, and in other instances we find that enrollment cards are offered to credit unions for distribution to their members. These special cards allegedly offer the bearer special discounts on certain types of merchandise. Credit union people, as individuals, have a perfect right to buy what they please, where they please, and if they feel that they can afford the certain elements of rush "in buying wholesale" they have a perfect right to do so. Nevertheless, credit unions as such, should in no way participate in these programs since it is most assuredly outside the scope of our normal permissive activities. Credit unions were chartered to promote thrift and make credit available to their members at reasonable rates of interest. To participate in any way in the distribution of merchandise at wholesale prices not only violates our statutory privileges, but justifiably antagonizes legitimate retail establishments.

Finds CUNA Mutual Handbook Valuable

TO: CUNA CANADIAN OFFICE

We have received your Cuna Mutual Handbook and, after studying it, find that it certainly simplifies the way for a study of life insurance.

There has been a few members asking for information on life insurance, and have placed before them any information and forms on hand.

With this new handbook we will now be able to study it and show it to any member who is interested in life insurance.

Many thanks for this welcome addition to our credit union benefits.

—I. S. Cliff, Sudbury, Ontario.

2,000 New Members in Pontiac Motor Credit Union:

Membership at New Peak

PONTIAC, MICH. — "2,007 members were recruited in our membership drive concluded May 31", Fran Schneider, Treasurer-Manager of the Pontiac Motor Federal Credit Union reported today. "This was 507 more than the quota we had set and increases our membership to an all-time high of 9,327. So far as we know this is the highest number of members recruited in a 3 month period by any credit union." The drive was marked by the participation of 65 bonded representatives, each of whom brought in one or more new members. Oliver Korb, a plant employee, recruited the astonishing figure of 191 new members. Runners up were James Stanberry who brought

in 179 new members and Thomas Thrower with 123 new members. Assets of the credit union on May 31 exceeded \$2,400,000. The drive was climaxed by a victory celebration in St. Benedict's Church outside Pontiac on Saturday, June 4, at which Mr. Korb was presented with a 1955 Pontiac. "This is our 4th consecutive membership drive", Mr. Schneider announced. "Every one has resulted in a marked strengthening of our credit union and the development of our ability to provide additional services for our members. Our growth has been so rapid that we have been required to open an additional office in Drayton Plains to serve our membership."



"Matrimony? Matrimony is an institution of learning in which a man loses his bachelor's degree and his wife acquires a master's."

New Wisconsin Field Man



Earle L. Wagner was appointed field representative for the Wisconsin Credit Union League effective April 1, 1955. A veteran of World War II, he was affiliated with the Phoenix

Hosiery Company Employees Credit Union of Milwaukee for eighteen years, the past ten years as full time treasurer-manager.

During these years he has been active in league and chapter activities having served on numerous committees as well as chapter president in 1951. His field activity will be confined mostly to the south-eastern area of the state.

He is domiciled with his wife and son in Calhoun Farms, a suburb of Milwaukee.

District of Columbia League Adds James W. Witsell to Staff



THE DISTRICT OF Columbia League has expanded its capacity to serve present credit unions and groups that need a credit union—by adding James

W. Witsell to the staff.

Mr. Witsell started his full time credit union work in 1950 with the HEW Employees Federal Credit Union. In August 1951 he was called into the armed services for the Korean War. On his return he worked successively for the U. S. Housing Federal Credit Union, and the U. S. Civil Service Commission Federal Credit Union.

Jim was born in Richmond, Virginia on November 25, 1929. He graduated from the Thomas Jefferson High School in 1948, and earned a BCS in Accounting by attending night school. He married Miss Phyllis R. Fowler of Richmond, Virginia in 1953.

The Spirit of Liberty

"Liberty lies in the hearts of men and women. When it dies there, no constitution, no law, no court can save it. No constitution, no law, no court can even do much to help it . . . The spirit of liberty is the spirit which is not too sure that it is right. The spirit of liberty is the spirit which seeks to understand the minds of other men and women. The spirit of liberty is the spirit which weighs their interests alongside its own without bias. The spirit of liberty remembers that not even a sparrow falls to earth unheeded. The spirit of liberty is the spirit of Him who, near two thousand years ago, taught mankind that lesson it has never learned, but has never quite forgotten; that there may be a kingdom where the least shall be heard and considered side by side with the greatest."

—Judge Learned Hand.

Not So Foreign After All

All over the world, our service men are quick to see that natives are human beings . . . human beings with needs and desires and ambitions fundamentally like our own. They have discovered that "foreigners" take to our products, games, equipment and machinery—with amazing ease.

—American Exporter Magazine.

Classified ADS

Cost per line \$1.50
6 successive times 1.35
12 successive times 1.25

NO CHARGE to leagues or credit unions announcing openings for personnel or to offer significant items of used equipment for sale; or to individuals wanting credit union employment. The right to reject any ad is reserved.

Wanted: Credit Union Manager — To supervise and have full responsibility for a federal credit union with assets in excess of \$350,000. Experienced with credit, collections, investments, etc. Must be personable and able to provide counseling services. Good knowledge of bookkeeping and credit union accounting required. Potential membership in excess of 4,000. Furnish complete resume of prior employment, education, vital statistics, salary expected, etc. in first letter. This position is in a city of 45,000 population where plenty rental housing available; located in southern mid-west area. Write Box A-15, The Credit Union Bridge, P. O. Box 421, Madison1, Wisconsin.

The Alabama Credit Union League has openings for TWO FIELD REPRESENTATIVES. Applications may be made by phone; mail or in person to W. E. Dempsey, Managing Director, Alabama Credit Union League, Inc., 1023 Third Avenue, North, Birmingham 4, Alabama.

Your Automobile Insurance Quotation
DATE: _____

PERSON: _____
ADDRESS: _____
CITY: _____ STATE: _____ ZIP: _____

VEHICLE: _____
YEAR: _____ MAKE: _____ MODEL: _____

COVERAGE: _____
Deductible: _____

Coverages

Coverage	Amount	Rate	Total
Bodily Injury Liability	\$		
Property Damage Liability	\$		
Medical Payments Insurance	\$		
Extended Medical Payments	\$		
Comprehensive Insurance	\$		
Theft - Theft and Vandalism Only	\$		
Collision or Spill Insurance	\$		

20% DEDUCTIBLE - Insured pays first 20% of each loss.
50% DEDUCTIBLE - Insured pays first 50% of each loss.
100% DEDUCTIBLE - Insured pays first 100% of each loss.
This quotation is for members' consideration only and does not constitute an offer of insurance. The actual amount of the premium is subject to change. For more information, please contact your credit union.

*To be useful to your insurance and not used to obtain a loan or other benefit.

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NAME _____

CREDIT UNION _____

ADDRESS _____